STRENGTHENING RWANDAN CAPACITY TO ADVANCE HUMAN RESOURCES AND INSTITUTIONAL DEVELOPMENT EXECUTIVE SUMMARY

The Year 2003 marks an important set of milestones intended to advance people-centered development in Rwanda. The political transition period is ending. Presidential and legislative elections, approval of a new constitution and decentralization efforts are underway. In this regard, the 2004 – 2008 Integrated Strategic Plan (ISP) provides an ambitious and important approach to strengthening the human resources and institutional development capacity of Rwandans to deliver a more democratic, prosperous and healthy society.

Over the past 7 years, the Government of Rwanda (GOR) has engaged Rwandan society in an extensive process of dialogue, reconciliation and planning, known as Vision 2020, to determine how to advance itself democratically and transparently. This process of validating its strategic direction and priorities is ongoing.¹ Rwanda's Vision 2020 relies heavily on strengthened capacity and performance at three levels to include:

- (1) human resources, particularly improved literacy and technical expertise;
- (2) collectives, cooperatives, organizations, and networks identifying and addressing development issues and opportunities; and,
- (3) *institutional frameworks* comprised of public and private sector and civil society organizations working to reform societal norms and mechanisms of justice and good governance as well as people-centered development in community, district and national settings.

The relationships and interplay between people, organizations and institutional processes are critical to reinforcing sustainable people-centered development. Effective capacity-strengthening must address the problems of recruiting and replenishing human resources, ensuring that technical expertise is available, used and sustained in public, private and civil society arenas. Basic building blocks for progress rely on strategic contributions and improved performance of indigenous people, organizations and institutional processes for development. At the end of any day, it is Rwanda, its culture, people, organizations and institutions that will ensure the achievement of Vision 2020, not the international donor partner community. USAID/Rwanda's contribution will be to strengthen Rwandan leadership, management and technical capacity to advance human resources and institutional development.

The Government of Rwanda (GOR) is paying attention to capacity-building needs and opportunities. GOR's Poverty Reduction Strategy Paper (PRSP) ranks human development* and institutional capacity building* as key interventions for reducing risks to poverty and poor economic growth. A GOR steering committee (SC) is currently supervising preparatory activities for development and implementation of a Multi-Sector Capacity Building Program (MSCBP). The portfolio of the Ministry of Public Services

expanded from skills development, vocational training and labor to include human resources development and capacity-building initiatives. In April 2003, the MSCBP SC is scheduled to officially launch the MSCBP mission, vision and implementation framework. GOR reports noted that MSCBP is "expected to ensure greater coherence, consistency and coordination in the formulation and implementation of capacity building projects" and to "facilitate GOR's control and ownership of these projects." Until MSCBP is launched, international donor partners like USAID are encouraged to continue addressing capacity-strengthening gaps and opportunities using PRSP and MSCBP reports as guidance for designing capacity-strengthening programs.

For the 2004-2008 ISP, Human Resources and Institutional Development is a cross-cutting theme for Increased Citizen Participation in Post-Transition Governance (SO5), Increased Use of Community Health Services, including HIVAIDS (SO6), and Expanded Economic Opportunity in Rural Areas (SO7). In order to achieve SO and IR-level results, strengthened human resources and institutional (and organizational) capacity is necessary throughout the 2004-2008 strategy period. Each SO will focus on strengthening the "performance improvement" capacity of *Rwandan human resources*, *partner organizations and partnerships*. Each SO team will build on past investments and focus on three critical levels of improvement listed below:

- expanded human resource base of technical, management and leadership skills through use of diverse methodologies (e.g., training of trainers); "performance improvement" training, technical assistance and site-based facilitation);
- improved performance of community, district and national agencies, networks and organizations by strengthening use of better management tools and systems; and,
- strengthened institutional linkages with selected government, market and civil society stakeholders whose efforts advance decentralization processes and mechanisms through guided and self-directed networking and cooperation activities.

The new focus on capacity-strengthening represents an appreciative yet realistic understanding of the USAID/Rwanda's development partner role and manageable interests. Strengthening Rwandan Capacity to Advance Human Resources and *Institutional Development* recognizes the vibrant and hard-working human, technical expertise and organizational resources available in contemporary Rwandan society. Yet the supply of each is limited in scope, quantity and availability. USAID/Rwanda sees capacity-strengthening as a long-term investment and dynamic process that will need to continue past 2008. High staff turnover, low salaries and limited opportunities for incentives and promotions are structural constraints that will require on-going, systematic attention. By the end of this strategy period, these problems may be partially improved on by accepting, effectively planning for and managing the replenishment requirements for human resources. While USAID/Rwanda focuses on strengthening the performance of Rwandan partner organizations and partnerships it will continuously broker a shared understanding of the preliminary and actual results expected so that well-, low- and nonperforming organizations can be identified, counseled and better managed. This approach allows USAID/Rwanda to engage and assign technical and financial resources in accordance with expected results and performance. In all capacity-strengthening,

USAID will improve Rwandan capacity to effectively manage decentralization and development processes that improve the reproductive health status and livelihood of vulnerable and marginalized populations.

USAID/Rwanda will transfer knowledge, information and skills to people and through organizations so that both perform better and can constitute a critical base of available technical and management expertise. USAID/Rwanda will work through public and private sector partnerships to develop/disseminate curricula and training materials and modules that formal institutions and community-based organizations can use to provide education, training and learning services. Additionally, USAID/Rwanda will complement Rwanda's PRSP by strengthening Rwandan and local partners and partnerships working on poverty alleviation and fledgling economic growth.

USAID/Rwanda is turning a corner and making a more concerted and strategic commitment to **strengthen Rwandan Capacity to advance Human Resources and Institutional Development** because, in a development context, it is critical for capacity-strengthening to become a sustainable partnership effort and is best sustained by relying on indigenous human and institutional resources to ultimately carry out human resources and institutional development. It is a long-term partnership that focuses results on improved Rwandan capacity and performance.

USAID/Rwanda is designing an improved and iterative capacity-strengthening program. Each sector will consistently integrate "performance improvement" and "quality" criteria into capacity-strengthening programs, activities, and performance measurements. Strengthening decentralization efforts through inter-sectoral partnerships, capacity-strengthening can assist with scale-up development dividends using "performance improvement" team training and site-based facilitation of leadership development skills. SOs, in consultation with implementing and cooperative partners, will conduct "way forward" reviews periodically to appreciate and address capacity-strengthening improvements needed to ensure achievement of results.

Each sector will review its experiences and performance with capacity-strengthening efforts during a partnership framework design exercise in order to better design, implement and monitor the performance of capacity-strengthening activities undertaken during the 2004-2008 strategic period. Each SO will utilize existing and new strategic partnerships with civil society, public and private sectors. USAID/Rwanda will continue to link with AFR/DP, REDSO/ESA, Presidential Initiatives (e.g., AEI) which complement its bi-lateral capacity-strengthening efforts.

¹ For further details about the process and analysis undertaken, see Vision 2020 (Draft 3), Government of Rwanda, Ministry of Finance and Economic Planning, November 2002.

^{*} Rwanda's PRSP defines *human development* (HD) as "the actions [that] most directly influence the quality of life of the poor". Note the categories of poor must be understood and considered in designing, implementing and monitoring the performance of HD inputs, outcomes, results and impact. It includes health, family planning, skills development, education, water and settlement. Settlement is partly because it is operationally so closely linked to water supply.

⁺ The PRSP also defines *institutional capacity-building* as a cross-cutting issue which affects all sectors. It includes the design of institutional structures [and probably can include assistance given for development of organizations and networks] and incentives to encourage the development and retention of the relevant skills in *public and private* sectors. Currently, institutional strengthening is a term used to describe technical activities and processes undertaken to improve the performance of a government agency/department/unit, community-based organization, cooperative, collective, etc. In this context, institutional capacity-building activities provide support for the following:

- □ board, management and staff training;
- □ technical assistance and consultations (in strategic planning, general administration, accounting and financial management, grants management, advocacy and external relations, program and services management,
- □ staffing positions; and,
- payment of direct costs (e.g., salaries, utilities, vehicles).

It is important to note that the institutional capacity-building activities above focus on both organization development and organizational development.